

Whereas the housing industry is one of the most interest rate sensitive sectors of the economy;

Whereas some home mortgage payments have increased by hundreds of dollars per month because of the increase in interest rates by the Federal Open Market Committee;

Whereas the interest rate on a 30-year fixed rate mortgage increased from approximately 7 percent since February 4, 1994, to the level of 9 percent 12 months later, increasing the monthly payment on a \$100,000 home mortgage loan by more than \$140 per month;

Whereas homeowners with adjustable rate mortgages will spend an estimated aggregate increase of \$12,000,000,000 to \$15,000,000,000, in monthly payments during 1995;

Whereas the National Association of Home Builders estimates that a 1 percentage point increase in mortgage interest rates means that approximately 4,000,000 households could not qualify to purchase a median-priced home: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) additional interest rate increase at this time could risk throwing the economy into a recession;

(2) the Board of Governors of the Federal Reserve System should act with caution so as not to risk another recession; and

(3) the Board of Governors of the Federal Reserve System should carefully weigh the effects of interest rate increases on homeowners, homebuyers, home builders, and American taxpayers when evaluating interest rate policy.

Mr. DORGAN. Mr. President, yesterday Federal Reserve Board Chairman Alan Greenspan testified before Congress that the Fed's recent actions to increase interest rates were achieving their intended goal: to put the brakes on economic growth in this country. He also left room for the Fed to raise interest rates even further to deal with inflationary pressures. Well, I say enough is enough. No more interest rate hikes.

The Fed says it has raised short-term interest rates by a full three percentage points this past year to combat inflation. But what inflation? Like Don Quixote on a mission to root out an imaginary enemy, the Fed has made inflation the invisible foe it seeks to defeat. In fact, the evidence shows that inflation has actually been falling for the past four years.

What the Fed has actually accomplished with higher interest rates is to put at risk those most vulnerable to interest rate change including homeowners, homebuyers, and home builders.

Just look at what's happening to middle-income Americans in communities all across this country as a result of the Fed's actions.

The interest rate on a 30-year fixed rate mortgage has jumped from 7 percent to 9 percent in less than a year.

A homeowner carrying a \$100,000 fixed mortgage is paying almost \$150 more a month now for that loan than just a year ago.

Homeowners with adjustable rate mortgages will spend an estimated \$12 to \$15 billion more in total monthly payments this year.

The National Association of Home Builders estimates that a one percentage point increase in mortgage rates will prevent four million families from realizing their dream of owning their own home. That is 4 million broken dreams.

Higher interest rates will increase the Federal deficit by adding \$171 billion, over 5 years, to pay the interest we must pay on the national debt.

That's why I am submitting today a sense-of-the-Senate resolution, which puts the Fed on notice. Stop the interest rate increase. Do not risk another recession. Consider the interests of the homeowners, homebuyers, home builders, taxpayers, and others who wind up bearing the burden of these actions.

If you're as exasperated as I am with the Federal Reserve Board actions that put a hammer lock on middle-income families and the businesses that serve them, I hope that you will join me in cosponsoring this resolution. The threat is not inflation, which has decreased four years in a row. The threat we face is that of throwing our economy into another recession.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I have previously announced a hearing scheduled before the full Committee on Energy and Natural Resources on Thursday, March 2, 1995, at 9:30 a.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC, for the purpose of receiving testimony regarding S. 433, the Electric Consumers and Environmental Protection Act of 1995, and S. 167, the Nuclear Waste Policy Act of 1995. I would like to announce that the committee will also consider S. 429, the Independent Spent Nuclear Fuel Storage Act of 1995 and S. 473, the Nuclear Energy Policy Act of 1995.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Karen Hunsicker at (202) 224-3543.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing on Forest Service appeals has been scheduled before the Subcommittee on Forests and Public Land Management.

The hearing will take place on Wednesday, March 8, at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, Subcommittee on Forests and Public Land Management, U.S. Senate, Washington, DC 20510. For further information, please call Mark Rey at (202) 224-2878.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a full committee hearing to discuss "Farm Programs: Are Americans Getting What They Pay For?". The hearing will be held on Thursday, March 9, 1995, at 9:30 a.m. in SR-332.

For further information please contact Chuck Conner at 224-0005.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. HATCH. Mr. President, I ask unanimous consent that the Subcommittee on Administrative Oversight and the Courts, U.S. Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Friday February 24, 1995, at 9:30 a.m., in Senate Dirksen room 226, on S. 243, the Comprehensive Regulatory Reform Act of 1995 and regulatory Relief.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

IN SUPPORT OF THE PORTSMOUTH NAVAL SHIPYARD

• Mr. SMITH. Mr. President, I recently learned that the New Hampshire State Senate and House of Representatives adopted a joint resolution in support of keeping the Portsmouth Naval Shipyard in New Hampshire open at its full operating capacity. As we approach the release date of the Department of Defense's base closure list for the 1995 round, I would like to take this time to associate myself with the strong support expressed in the resolution passed by my State's legislature and signed by Gov. Stephen Merrill. Furthermore, I ask that the full text of that resolution be printed in the RECORD.

The State resolution follows:

SENATE JOINT RESOLUTION 1—STATE OF NEW HAMPSHIRE

Whereas, the Department of the Navy has maintained the Portsmouth Naval Shipyard since June 12, 1800; and

Whereas, the Portsmouth Naval Shipyard has performed in an exemplary manner throughout its almost 2 centuries of history; and

Whereas, the Portsmouth Naval Shipyard is one of the most modern facilities available in the United States for the repair, overhauling, and refueling of naval vessels; and

Whereas, the communities located near the Portsmouth Naval Shipyard, in Maine, New Hampshire, and Massachusetts offer an abundance of highly trained, skilled and experienced workers who have an outstanding work ethic; and

Whereas, the Portsmouth Naval Shipyard is uniquely and strategically located for the continued defense of our country; and